CA2ON
Z 1
-63A22

24-1

NOV 14 1963

A Brief

Presented By

ONTARIO TEACHERS' FEDERATION

to the

ROYAL COMMISSION ON TAXATION

1963

All statistics and all forecasts by recognized authorities indicate that the cost of education will increase. This must be so, since it is the natural result of the improvement in education demanded for the public welfare. Of equal significance at the present time is the tremendous and rapid growth of the school population. It is evident that educational costs must increase simply to meet the demands of this great school population. In addition, however, we must not merely meet the basic needs but fulfil our responsibility of providing for all children an education suitable to our technological and complex society. Using data contained in Dr. R. W. B. Jackson's Report on the problems of numbers in the university enrolment, an illustration is given below of the expansion in the total elementary and secondary school enrolment, taking the years 1946 and 1962 for comparison.

Total Elementary and Secondary School Enrolment
in Ontario, 1946 and 1962

Ontario (September Enrolment)	1946	1962
Elementary	539,012	1,197,029
Secondary	123,846	331,578
Total	662,858	1,528,607
Grade 13	9,797	23,750

Authorities such as Dr. Jackson do not foresee any levelling off in this upward trend and, as desirable as it is, a further problem is created by the increasing percentage of students completing high school and continuing their education in universities, technical colleges and special training colleges. It follows, therefore, that some way must be found to meet this increasing expenditure.

As a teachers' organization, we are concerned to see that schools are adequately financed in the national interest. We feel that the financial support of the schools is the responsibility of all taxpayers, since everyone will ultimately benefit by the education of the citizens of our country, and that the tax levy should be distributed fairly among all taxpayers. The cost of education per pupil in relation to the provincial earnings has not reached the same level in Ontario as in any of the other provinces, although Ontario has the highest personal income per capita as the following tables from the Dominion Bureau of Statistics show.

Personal Income Per Capita, by Province, 1961

Ontario	$1,829
British Columbia	1,809
Alberta	1,582
10 Provinces	1,535
Manitoba	1,476
Quebec	1,332
Nova Scotia	1,191
Saskatchewan	1,184
New Brunswick	1,054
Prince Edward Island	952
Newfoundland	904

Total School Board Expenditures for Education[1] as a Percentage of Personal Income, by Province, 1961

Saskatchewan	6.3
Alberta	5.4
New Brunswick	4.6
Newfoundland	4.5
British Columbia	4.2
10 Provinces	4.2
Nova Scotia	4.2
Prince Edward Island	4.1
Manitoba	4.0
Quebec	4.0
Ontario	3.9

[1] Total expenditure from current revenue.

The province then can obviously increase its financial support of education to provide a better education for its children. The problem remains of finding the most equitable method of raising money required and of allocating it among the schools of the province.

In this search for financial aid to meet the new costs of education, we should not overlook the historical role played by the municipal governments. Studies have shown that a more efficient system operates when municipal governments retain some power of control and any new measures taken should not interfere with this sound and proven method.

To maintain a high level of effectiveness, the local community should continue to have an interest and control in its educational system. What better way of preserving this than by a certain percentage of the cost of education being paid by the community? It is also most important that the local school board should maintain its legal right to set its own tax rate and collect this tax if necessary.

While there is continual complaint by city councils with regard to the school tax on real estate, no research to date has shown that this tax at the present time is too great a burden or that it is not an effective means of raising the community portion of the school tax. In addition, it may be pointed out that, since the portion of the real estate tax that is allocated to education is clearly indicated in the Taxpayers' Bill, there is no reason why the taxpayer should not be aware of the two taxes levied, one by the municipal council and one by the board of school trustees.

Many authorities feel that the municipal education tax on property has reached its limit, although contrary to this opinion, Dr. H. P. Moffatt, in an address under the Quance Lectures states: "... such evidence as can be found indicates that the property tax burden is not as great, in comparison to income available, as it was twenty years ago. ... So long as the economy continues to flourish, it is difficult to avoid the conclusion that, on the whole, property taxpayers could pay more for education, if they wanted to."

In this brief, we suggest some ways in which financial support for education may be spread among the various taxing bodies without infringing on the rights of (a) local school boards elected by the citizens of the community to run its schools and (b) the provincial government where the final responsibility for education in the province rests.

Suggestions

1. That consideration be given to having larger grants made by the provincial government to school boards to provide the pupil in the smaller school unit with a more equal opportunity to obtain a good and well-rounded education. The provincial government has done much to equalize the amount of money available for education throughout the province, but while this system does not present a problem to the wealthy school boards, the present "incentive" grants do not always achieve their purpose, in that school boards with a small income from local taxes find it difficult to match the government dollar-for-dollar grants. It is suggested also that consideration be given to grants based on teacher qualifications. It is felt this would encourage the smaller boards to employ more highly qualified teachers than they feel is within their means at present.

2. That consideration be given to a simplified grant scheme whereby school boards could determine more readily than at present what funds are available to them from the provincial government for various educational purposes.

Digitized by the Internet Archive
in 2025 with funding from
University of Toronto

https://archive.org/details/submissionstaxat024onta

3. That consideration be given to having a greater proportion of the money raised through taxes at the federal level being made available to the provinces for educational purposes. This should be given to the province for general education rather than earmarked for specific types of education or special buildings which might result in indiscriminate expenditures. We submit here the example of recent grants for technical school buildings only which resulted in provinces plunging quickly into the building and equipping of technical schools without adequate consideration as to whether these schools would meet the particular needs of their student body.

   An alternative method of obtaining a larger portion of funds from federal taxes would be the release by the federal government to the province of certain fields of taxation. This, however, would defeat the Federation's policy of equalizing educational opportunity throughout Canada, and as an organization we would prefer an allocation of money collected at the federal level to the provinces on a per capita basis.

4. That consideration be given to the allocation of a definite portion of the provincial income tax for educational purposes, which would also assist in providing increased funds for education through the provincial government.

5. That any increase in such taxes as the sales tax be avoided, as it is our feeling that such a measure bears heavily on those who can least afford to pay additional taxes.

November 12, 1963
ed
833/20/